

WASHINGTON STATE DEPARTMENT OF REVENUE



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Tacoman charged with evading taxes on \$3.2 million yacht

Seattle, Wash., July 6, 2001 — A Tacoma executive was charged late Thursday with filing false documents to evade paying more than \$280,000 in sales and watercraft excise taxes on a custom-built 73-foot yacht.

The Criminal Justice Division of the Attorney General's Office charged Michael Albert Price, 55, with a felony for allegedly claiming that he paid \$690,000 for the *Price's Waterhouse*, a yacht he had built at a cost of \$3.2 million. Paperwork submitted to the Department of Licensing falsely stated that Price had paid \$53,820 in sales tax on the lesser amount, when in fact no sales tax was ever paid.

The maximum penalty for offering a false instrument for filing or record is five years in jail and a \$10,000 fine, plus costs, restitution and assessments.

Price is founder and majority stockholder of T&W Financial Corporation, an equipment leasing company headquartered in Tacoma that currently is in bankruptcy reorganization.

Charging papers allege that Price falsified paperwork to show that he had purchased the vessel from T&W Leasing Company in May 1999. A Department of Revenue investigation indicated that the leasing company was fictitious, and Price actually had contracted with Northcoast Yachts in Tacoma to build the hull and Cap Sante Marine in Anacortes to complete construction.

Price had a previous run-in with the Department of Revenue in the early 1990s, according to the charging papers. He purchased a 53-foot motor vessel in 1990 in the name of Waterhouse Charters. He did not pay sales tax at the time because he maintained that the vessel was going to be operated strictly as a charter vessel. A Department of Revenue investigation determined that Price had in fact used the

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vessel for personal purposes, triggering imposition of sales tax. Price appealed, but ended up paying \$24,600 in taxes and interest in August 1999.

The Department turned to the Criminal Justice Division of the Attorney General's Office after discovering that Price had allegedly attempted to defraud the state again. The Criminal Justice Division investigates tax-related white-collar crime. Its principal investigator is Darryl Roosendaal, (206) 464-6430.

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EDITOR'S NOTE: THE YACHT WAS MOST RECENTLY MOORED AT SEATTLE MARINA, 2401 NORTHLAKE WAY, ON THE NORTHWEST SHORE OF LAKE UNION, BETWEEN GAS WORKS PARK AND THE KALAKALA FERRY.

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